

THE CAA ENDOWMENT



A CAMPAIGN TO SECURE THE FUTURE OF
THE CARRIAGE ASSOCIATION OF AMERICA







SECURING THE FUTURE

In the 1960s, a few dedicated individuals came together to form an organization which they hoped would foster interest and work to preserve the history of carriages. That organization became the Carriage Association of America. The bold dream of the twelve folks who met some sixty years ago was that fellow carriage enthusiasts around the country could be brought together to share their knowledge so that the history of these beautiful vehicles and the traditions they held so dear could be preserved for future generations.

An official publication, *The Carriage Journal*, was produced to disseminate some of this knowledge. Since its first issue in 1963 the *Journal* has been published without interruption, and each issue is eagerly awaited by readers around the world. With the growth of the association, a desire grew for the CAA to become a repository for books and archival materials on the history and traditions of the carriage era. The CAA's research library was formed in the 1970s, and the collection has grown through a mixture of purposeful acquisition and donations into a truly world class archive, now holding nearly 5,000 books, trade catalogs, trade journals, prints, photographs, carriage blueprints, and other resources. It was with great fanfare that the CAA purchased its permanent home at the Kentucky Horse Park in 2015. The achievement of this milestone was a major step in setting up the CAA for a long and prosperous future.

Since its inception, the CAA has been a dynamic force in providing opportunities for its members and the public to learn and enjoy the collecting and the art of driving carriages. With a large offering of programming, the CAA meets its mission through its many and varied highly regarded programs.

Building on the CAA's rich history, and its achievements over the years, the Endowment Committee has been tasked with setting the CAA up for another 60 years of success at achieving its important mission. I was honored to be asked to chair the Endowment Committee. The CAA has held a special place in my life

since my involvement with carriage driving. The friendships I've formed through the CAA have grown into some of the most meaningful and lasting relationships in my life. I believe many in the 'old guard' share this sentiment just as I do.

Looking down the road with optimism and purpose, we recognize the tremendous opportunity an Endowment presents for the CAA. By establishing a stable, reliable source of funding—independent of annual fundraising—we can strengthen our foundation, support long-term planning, and weather future economic shifts with confidence. To realize this vision, we've set an inspiring goal: to raise five million dollars by the CAA's 70th anniversary in 2032.

After more than 60 years, the CAA has established itself as the world's premier organization dedicated to preserving the history of carriages. The mission of the CAA exists in perpetuity. However, to continuously offer new programs and services requires an ever-growing pool of financial resources. The CAA Endowment is unique among the CAA's revenue streams since it provides perpetual support for the CAA's programs, both current and future. To put the power of the Endowment in perspective, a \$250,000 gift invested in the Endowment can generate more than \$125,000 over the next 10 years. Most importantly, that original gift will remain intact and continue to fund the CAA long into the future.

To those of us close to the Carriage Association, I sound the call to action: let us look boldly to the future and come together to propel the CAA down the road toward its next great chapter. Your passion, your commitment, and your generosity are the driving force behind everything we do. Together, let's meet this moment with energy and purpose—and ensure the CAA thrives for generations to come.



Richard C. V. Nicoll
Endowment Committee Chair

THE CAA'S MISSION

The mission of the Carriage Association of America is to maintain a nonprofit association for the exchange of information regarding all aspects and uses of animal-drawn vehicles and an accurate source of technical information for the benefit of its members and the general public.

The CAA accomplishes this mission through a variety of programs such as the publication of *The Carriage Journal* (the CAA's scholarly magazine), the CAA Driver Proficiency Program, the International Carriage Symposium, interactive webinars, carriage evaluation services, its educational bookstore, engaging conferences and meetings, exclusive travel opportunities to view major collections abroad, services to local clubs around the country through its CAA Chapters program, the CAA Carriage Showcase, research services in the CAA's world-class library & Ken Wheeling Archives, and now the exciting addition of AIAT or traditional driving competitions- the CAA continues to lead with passion, expertise, and innovation.

WHAT IS AN ENDOWMENT?

The CAA's Endowment is composed of restricted and unrestricted funds established by donors for various purposes and is the core of the CAA's financial foundation, contributing essential funding to further the CAA's programs.

The pooled funds are managed by the CAA's Endowment Committee, which is a standing committee of the Board of Directors. The Committee oversees a professional investment advisor who handles day-to-day transactions and trades in accordance with the CAA's Investment Policy. Per the Investment Policy, a percentage of the Endowment, called the 'spend rate' is distributed to the CAA each year. The remaining earnings are reinvested to ensure long-term growth and sustainability of the Endowment funds, thus maintaining the fund's spending power far into the future.

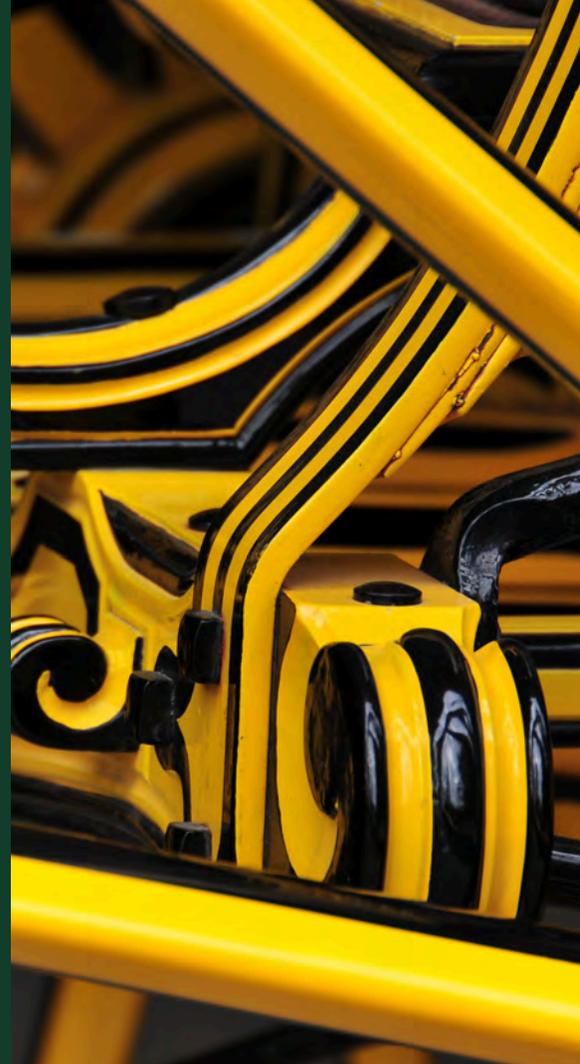
GROWING THE ENDOWMENT IS A CRUCIAL PRIORITY

The Endowment is an integral part of the CAA's overall financial health and wellness. Ensuring that the Endowment continues to grow through new cash and estate gifts as well as investment returns provides a two-fold benefit: we will generate increased resources for programs and will bolster our long-term financial stability.

Considered a measure of an institution's long-term strength, growing the Endowment is essential if the CAA is to remain a dynamic and successful educational charity.

ENDOWED FUNDS CAN BE APPROACHED IN TWO WAYS:

- A restricted fund is a type of endowed fund that has been designated for a specific purpose or program.
- An unrestricted fund is the most valuable type of endowed fund because it provides the CAA flexibility in applying the proceeds to the areas of highest need, which may be very different tomorrow and almost surely different 20 years from now than they are today.



HOW THE ENDOWMENT FURTHERS THE CAA'S MISSION

THE ENDOWMENT POSITIONS THE CAA FOR FUTURE SUCCESS

Charities are measured by one yardstick and only one yardstick: achieving their mission. The CAA's Endowment provides a consistent and perpetual income stream that supports the charitable and educational mission of the CAA. An Endowment also provides the stability that the organization needs to weather the uncertainties of the future, so that its charitable programs can continue for years to come.

Nonprofits such as the CAA exist in a free market, and strong leadership is not just important for a nonprofit – it's absolutely critical. The CAA's staff are the voice and face of our organization, and provide the strategy, vision, and leadership needed to make the CAA's programs thrive. Without strong leadership, nonprofits falter. A charity with great leadership will be able to achieve its mission faster. A goal of the CAA's Endowment campaign is to ensure that the CAA can remain competitive in order to attract and retain the best talent so that it can continue achieving its mission.

ENDOWMENTS ARE FOR LONG-TERM PLANNING

The CAA's Endowment has increased steadily in market value through the years, and while future returns cannot be guaranteed, endowments in general are designed and invested accordingly to provide stable, long-term growth on the initial investment. Because the time horizon is substantially longer for an endowment than that of a personal account, investment strategies differ from those deployed for an individual investor. The CAA's Endowment Committee actively monitors both the risks and returns of the Endowment in collaboration with our professional investment advisors and adjusts the overall investment strategy when necessary.





FLEXIBLE OPTIONS

There are several ways by which you can contribute to the CAA's Endowment. The first and simplest is through an outright gift of cash or appreciated stock. Additionally, we offer two primary flexible options for funding your own endowed fund.

By establishing a multi-year pledge, you can fund your contribution in installments over the next several years. Many donors elect to fund their gift over the course of five years.

Pledges can be funded month-to-month for convenience.

The second option is to establish your contribution through your estate or the combination of an outright gift (or multi-year pledge) and an estate provision. Either way you will be benefiting the CAA and its mission in perpetuity.

There are many ways you can make a gift to the CAA beyond a traditional cash contribution, including:

- Bequests
- Life Income Gifts
- Donor Advised Funds
- Beneficiary Designations
- IRA Gifts
- Appreciated Securities
- Real Estate
- Personal Property
- Gifts of Life Insurance

AN ENDOWMENT GIFT OF
\$100,000
OVER 20 YEARS



WILL GROW TO
\$156,242
(ESTIMATED MARKET VALUE)



GENERATING
\$130,805
DURING THAT TIME



PLUS KEEPS GROWING
IN PERPETUITY



FREQUENTLY ASKED QUESTIONS

WHAT IS AN ENDOWMENT?

An Endowment is an investment fund from which income is available for general operations and program support.

WHAT IS THE CURRENT VALUE OF THE CAA'S ENDOWMENT?

As of July 2025, the CAA's Endowment totals about \$620,000. This figure incorporates donor-restricted donations to the Endowment and funds designated for the Endowment by the CAA Board of Directors.

WHAT PORTION OF CAA'S OPERATIONS ARE FUNDED THROUGH THE ENDOWMENT?

In FY2024, the CAA's returns were re-invested back into the Endowment. If we are able to reach our goal of building the Endowment to \$5 million, the projected yearly Endowment payout will offset projected wages & benefits, as well as a portion of the maintenance to the CAA's building, which frees up a significant portion of operating expenses that can go towards mission-focused programming. Without this stable course of annual income, the CAA would need to make up the difference by cutting expenses and programs, raising dues, or both. As the Endowment grows, the CAA needs to rely less on other sources of income.

HOW IS THE ENDOWMENT INVESTED, AND WHAT IS THE SPENDING POLICY?

When a gift to the CAA's Endowment is made, the funds are placed into the CAA's long-term investment pool. The CAA's Endowment Committee oversees the CAA's professional investment advisor who manages the portfolio. The fund's mix of securities is structured so as to provide income to the CAA, which is called the spending rate. This rate generally ranges between 4.5-5%. The CAA's investment policy ensures a prudent tradeoff between current program needs and long-term growth and Endowment purchasing power.

WHAT HAPPENS TO THE UNSPENT INCOME FROM THE ENDOWMENT FUND?

The Endowment payout for unrestricted funds that support operations are reflected as current-year operating revenue in the CAA's annual financial statements, so there is never any unspent income. Should there be a surplus of operating revenue from all sources in a given year over and above the CAA's program and operating needs, the Board of Directors can designate these funds to be reinvested into the Endowment's principal.

HOW LONG DO ENDOWMENT GIFTS TYPICALLY TAKE TO BEGIN GENERATING INCOME?

Gifts (including payments in case of pledges) to the Endowment begin to generate income the month after they are invested in the pooled Endowment.

WHAT ARE THE TAX BENEFITS TO GIVING APPRECIATED SECURITIES IN LIEU OF CASH?

Giving appreciated securities to the CAA may offer additional tax benefits when compared to gifts of cash—and can often help you make an even larger impact.

HOW IT WORKS

Key donor benefits of a \$10,000 gift of stock with a cost basis of \$2,000

	Cash Gift	Stock Gift
Current fair market value of stock	\$10,000	\$10,000
Income taxes saved	\$3,960	\$3,960
Capital gains taxes saved*	\$0	\$1,904
Total Tax Savings	\$3,960	5,684

*For illustration purposes only. Assumes 39.6% federal income tax bracket, 20% capital gains tax rate, and 3.8% surtax on net investment income.



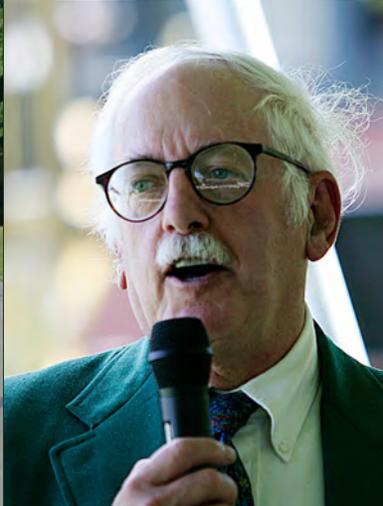
CAA LEGACY SOCIETY

The CAA Legacy Society is a special group of individuals who have made a commitment to the future of the Carriage Association of America by naming the CAA as a beneficiary in their wills or estate plans. As an example, CAA Legacy Society members have made plans to leave the CAA gifts of stock shares, cash, or purchased life insurance policies naming the CAA as the beneficiary. These gifts ensure the CAA will have resources to operate well into the future, and within their lifetimes donors can realize the tax benefits. Each bequest is handled privately and may be in the form of cash, real estate, personal property, life insurance, securities, or trusts.

CAA LEGACY SOCIETY MEMBERS

- *Anonymous*
- P. D. Baxter
- Colonel & Kathi Davis
- Dale & Ellen DeHaan
- Gary D. Grisham
- Jack & Virginia Goodman
- Steve Holm
- Stephen & Lynn Olsen
- Ann E. Petersen
- Terry & Laurie Pickett
- Charles & Suzie Poppe
- Bill & Liz Venditta

AS OF JULY 2025



THE CAA ENDOWMENT CAMPAIGN

The CAA's campaign to build an Endowment of \$5 million dollars by the CAA's 70th anniversary in 2032 will allow the CAA to establish a stable, reliable source of funding - independent of annual fundraising - which will allow us to strengthen our foundation, support our long-term planning, and weather future economic shifts with confidence.

We hope that you consider supporting this effort for the benefit of CAA members and those who cherish the rich history of carriages and driving.





WHO DO I CONTACT TO MAKE MAKE A DONATION?

Thank you for considering an investment in the future of the Carriage Association of America. If you would like to make a gift, contact a member of the Endowment Committee.

Richard C. V. Nicoll
Committee Chair
rcvnicoll@gmail.com
757-814-9520

Sally Armstrong
CAA Past President
donkeyoaties@gmail.com
830-637-9165

Jill Ryder
CAA Executive Director
jill@caaonline.com
859-231-0971

John Stallard
CAA Assistant Executive Director
john@caaonline.com
859-231-0971

Carriage Association of America | 4075 Iron Works Parkway, Building D | Lexington, Kentucky 40511
Tel. 859-231-0971 | info@caaonline.com | www.caaonline.com





